

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LISBON 08688 171410Z  
ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 /020 W  
----- 044208 /46  
R 171317Z DEC 76  
FM AMEMBASSY LISBON  
TO SECSTATE WASHDC9468

LIMITED OFFICIAL USE LISBON 8688

PASS USDOC

E.O. 11652: N/A  
TAGS: BEXP, PO  
SUBJECT: MAJOR PROJECTS: DOWNSTREAM PETROCHEMICAL  
COMPLEX AT SINES

REF: A) STATE 284252 B) LISBON 8186

1. ACCORDING CNP FINANCIAL DIRECTOR, FOREIGN PARTICIPATION  
IN EPSI STILL NOT LEGALLY CONSTITUTED AND THUS NO CONTRACTS  
YET SIGNED FOR AWARD AND CONSTRUCTION OF THREE POLYMER PLANTS.  
SOURCE INDICATED THAT ONLY MINOR JURIDICAL DETAILS STILL AT  
ISSUE.

2. ANOTHER SOURCE, A PRIVATE PORTUGUESE BUSINESSMAN KNOW-  
LEDGEABLE ABOUT PETROLEUM AND PETROCHEMICAL DEVELOPMENTS,  
TOLD COMMATT THAT DELAY IN COMPLETING PROCEDURES FOR FOREIGN  
PARTICIPATION DPSI DUE TO GOP ATTEMPTS TO OBTAIN BETTER TERMS,  
EITHER FROM SCF (SOCIETE CHIMIQUE DES CHARBONNAGES OF FRANCE)  
OR ANOTHER FOREIGN ENTERPRISE. QUANTITY OF OUTPUT TAKEN BY  
FOREIGN PARTNER AND FOREIGN SHARE OF CAPITAL ARE KEY FACTORS IN  
FINAL AGREEMENT. GOP REPORTEDLY WANTS FOREIGN PARTNER TO TAKE  
MORE THAN 28 PERCENT (BUT LESS THAN 50 PERCENT) OF CAPITAL, WHICH  
WAS ORIGINAL INTENTION. IMPORTANCE OF REQUIREMENT TO PURCHASE  
OUTPUT REPORTEDLY KEEPS SOME U.S. FIRMS FROM BEING INTERESTED  
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IN JOINT VENTURE. SOME BELIEVES THAT FINAL DECISION  
ON FOREIGN PARTICIPATION WILL BE MADE BEFORE END OF 1976.

3. ACCORDING CNP OFFICIALS, BEST OPPORTUNITY FOR U.S.  
INDUSTRY IS IN ACRYLONITRILE PLANT, FOR WHICH SOHTO  
TECHNOLOGY UNDOUBTEDLY IS BEST AVAILABLE. LUMMUS

WOULD BE GOOD POSSIBILITY TO BUILD ACRYLONITRILE PLANT  
AND ALSO FOR HIGH DENSITY POLYETHYLENE PLANTS. BADGER  
MAY HAVE GOOD CHANCE FOR POLYPROPYLENE AND HIGH DENSITY  
POLYETHYLENE PLANTS. U.S. TECHNOLOGY ALSO HAS EXCELLENT  
OPPORTUNITY TO WIN CONTRACT FOR BUTADIENE EXTRACTION.  
CNF OFFICIALS STILL HIPE FOR MAJOR U.S. INVESTMENT  
IN SINES, BOTH BECAUSE IT WILL SYMBOLIZE U.S. SUPPORT  
AND BECAUSE IT WILL PROVIDE ADDITIONAL SOURCE OF  
FINANCING FOR PROJECT.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976LISBON08688  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760464-1232  
**From:** LISBON  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761233/aaaabcrq.tel  
**Line Count:** 71  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Authority:** CunninFX  
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**Review Date:** 05 MAY 2004  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECTS: DOWNSTREAM PETROCHEMICAL COMPLEX AT SINES  
**TAGS:** BEXP, PO  
**To:** STATE  
**Type:** TE  
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